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## Egypt

### Livestock and Products

#### Annual

#### 2000

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#### **Report Highlights:**

**Egyptian imports of live animals (mostly beef cattle) increased by about 90 percent in 1999, with Australia as the main supplier. U.S. exports of dairy cattle continues to be banned in Egypt because of Leukosis, while cattle imports from EU countries (except Germany) are still subjected to the BSE ban. Egyptian beef imports increased by 15 percent, with Ireland controlling the largest share. The Dioxin ban on EU beef exports, except from Belgium to Egypt has been lifted except from Belgium. Beef liver imports increased 13 percent, almost all from the U.S.**

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Includes PSD changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
Cairo [EG1], EG

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## Production

The number of the Egyptian livestock herd in 2000 is estimated at about 6.2 million animals, of which 3 million cows and 3.2 million buffalo. This represent an increase of about one percent over the 1999 herd. Most of the herd is maintained primarily for dairy production, with meat production being of secondary importance. Although major improvements have occurred in the development of the commercial modern feedlots and dairy farms, most producers who have just a few heads of cattle tend to be ill-informed of recent methodological and technological advances. Since the bulk of the herd is dispersed among a large number of small holders, extension programs designed to improve nutrition, health, and breeding are difficult to administer. Herd improvement through artificial insemination is only practiced in large dairy farms. In addition to the fragmentation of the herd, disease is a major constraint to livestock production. Brucellosis, Lumpy skin disease, foot and mouth disease affect the stock. These diseases combined with poor animal husbandry techniques contribute to the high rate of calf mortality, (currently reported at 20-25%) and low fertility rate of cattle and buffalo, it is estimated at 79% for cattle and 60% for buffalo. However, Egyptian authorities have vaccination programs, which reduced the incidence of diseases.

The number of large modern dairy farms is currently estimated at 28 farms, with a total of 175,000 head of high milking cows imported mostly from the U.S. The number of beef farms is steadily increasing with sizes vary between 100 and 1000 heads per farm. The success of the National Buffalo Project (NBP) continues to encourage more investors to establish feedlot for beef fattening.. The objective of this project, is to fatten the maximum number possible of buffalo calves to a live weight (LW) of 450-500 Kilograms to reduce the need for importing live animals or frozen meat. In 1999, the NBP accounted for about 270,000 heads of the total herd compared to 260,000 heads in 1998. While most cow calves are fattened up to 360-450 Kg (LW), about 60 percent of buffalo calves are slaughtered at 70-80 Kilograms live weight for veal production, and the balance is fattened up to 450 Kg. The total number of animals slaughtered for meat in 1999 is estimated at 1,745,000 heads, of which 545,000 cows and 1,050,000 buffaloes. Total meat production in 1999 is estimated at 400,000 MT and it is expected to increase slightly in 2000 and 2001.

Many farms currently mix their feed rations on farm. These rations consist of corn, cottonseed meal, wheat bran and farm by-products (rice straw, rice hulls, beans straw, barely straw), molasses, limestone and, vitamins and salts. According to government feed regulations, growth hormones are not permitted to be used in manufacturing animal feed.

Some of the problems that impact the efficiency of meat production in Egypt rise from the lack of adequate packaging, sanitation, and quality control. Currently, there are 355 slaughter houses in operation in Egypt. Most of these are small one-room operations, but there are eight industrial facilities located in Cairo and Alexandria where about 40% of the slaughtering takes place. All slaughter process are done according to the Islamic rights. About 50% of the slaughter cattle and buffalo, and 60% of the slaughter calves are slaughtered outside specialized slaughter houses either on farms or in villages.

## Consumption

Egyptians prefer beef to other types of meat, and fresh beef to frozen beef. However, since a great deal of beef is consumed in stews, price and not quality is the major concern. The more affluent segment of population tends to think of imported frozen meat as an inferior product. The exception to this is the very limited amount

of high quality beef imported for consumption in hotels and restaurants, mostly imported from the U.S. Imported beef liver is established as a relatively cheap source of protein. It is estimated that about 60 percent of imported livers is sold by street vendors for sandwiches, while 40 percent is consumed at home. Competition to beef livers comes from other sources of comparatively cheap animal protein such as imported frozen fish and low price beef cuts from the EU such as briskets. A great deal of imported EU beef is destined to the production of processed meat such as hamburger, sausage, luncheon meat and pastrami meat.

In 1999, total red meat consumption was estimated at 513,000 MT, of which 78 percent locally produced. The per capita consumption of red meat is estimated at 8.3 Kg/year. The low consumption in 1999 is mainly due to limited local production and low purchasing power of most consumers.

## Prices

The average price of local live cattle in May-June 2000 is reported to be LE 7.50 per Kg live weight for cows and LE 6.50 per Kg for buffalo, compared to LE 6 per Kg for imported live cattle. The prices of imported frozen beef (with maximum fat content of 20 percent) during May -June 2000, are reported to be about \$1750 MT/CIF for hindquarters, \$1400/MT for forequarters, and \$ 800/MT for brisket and flank, compared to \$2,200, \$1,800, \$ 1,200 and \$850 per MT, respectively, during the same period the year before. Imported frozen beef currently retails between LE 10 and LE 15 per Kg. The retail prices for locally produced beef vary between LE 18 and 30 per Kg. Imported frozen beef liver is currently imported at \$1000 per MT/CIF and retails between LE 6 and 7 per Kg, compared to LE 22 per Kg for fresh local beef liver.

## Trade

The remaining restrictions on the importation of live cattle from most of EU countries (because of BSE) continue to have a limiting impact on imports of beef cattle from these countries, especially Ireland which was the major supplier of live cattle to Egypt. Imports of beef cattle from Ireland decreased drastically from 186,000 heads in 1996 to 4,465 in 1997, to zero in both 1998 and 1999. Australia has continued to be the major supplier of live cattle to Egypt in 1999 and 2000. Total Egyptian beef cattle imported in 1999 is estimated at 99,000 heads, of which 92,000 heads from Australia, compared to 50,000 heads in 1998.

Dairy cattle imports in 1999 are estimated at 11,000 heads, all imported from Germany. Imports of dairy cattle from the U.S continue to be affected by the MOA decree# 1355 for 1998 which requires that imported cattle must be from a country or area declared free of Enzootic Bovine leukosis (EBL). Since the U.S. is not declared free of EBL, importation of U.S dairy cattle into Egypt is effectively banned. As a result, importers were forced to source dairy cattle from other countries such as Germany which the GOE reportedly considers it to be free of EBL. Egyptian dairy farmers, however, continue to favor the U.S. dairy cattle for their higher milk production (27 Kg/day in their first lactation) compared with 16 Kg/day for the German cattle. Several dairy cattle importers and FAS/Cairo, together with USDA/ APHIS, continue to coordinate efforts to have the GOE lift ban on U.S. cattle imports.

In 1999, imports of frozen beef are estimated at 113,000 MT, compared to 97,610 MT in 1998. Ireland continues to be the major supplier of frozen beef to Egypt. A further increase in beef imports is expected in 2000, due to the recent amendment of the Ministerial Decree #25 for 1999, which banned the importation of some food products including beef from the EU due to Dioxin problems. The ban is currently applied only to

imports from Belgium.

At the present time, the U.S. is not a major beef supplier to Egypt due to the lack of price competitiveness with EU exporters. U.S. beef exports to Egypt are limited to very small shipments of high quality cuts with extra trimming of fat mostly for tourist facilities and hotels. Egypt usually imports about 250 MT of high quality beef from the U.S every year. By contrast, however, the market of U.S. beef liver is quite developed. Price and quality are the major factors that maintain the U.S. dominance of the beef liver market in Egypt. In 1999, sales of U.S. beef liver reached 28,381 MT, out of 34,405 MT total imports. In 1998, Egyptian beef liver imports were estimated at 24,933 MT , of which 24,027 MT from the U.S.

PSD Table						
Country:						
Commodity:						
		1999		2000		2001
	Old	New	Old	New	Old	New
Calendar Year Begin						
Total Cattle Beg. Stks	6617	6120	6767	6275	0	6370
Dairy Cows Beg. Stocks	4821	4065	4077	4140	0	4200
Beef Cows Beg. Stocks	0	0	0	0	0	0
Production (Calf Crop)	2440	2035	2132	2070	0	2100
Intra EC Imports	0	0	0	0	0	0
Other Imports	40	110	45	100	0	100
TOTAL Imports	40	110	45	100	0	100
TOTAL SUPPLY	9097	8265	8944	8445	0	8570
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Cow Slaughter	600	545	820	570	0	575
Calf Slaughter	700	150	145	155	0	160
Other Slaughter	830	1050	1070	1090	0	1100
Total Slaughter	2130	1745	2035	1815	0	1835
Loss	200	245	155	260	0	260
Ending Inventories	6767	6275	6754	6370	0	6475
TOTAL DISTRIBUTION	9097	8265	8944	8445	0	8570
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Import Trade Matrix		Animal Numbers		
Country:			Units:	1000 MT CWE
Commodity:			Partial Begin:	Jan
			Partial End:	
Exports for	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.	3000			
Others				
Australia	50,000	92,000		
Germany	5,000	11,000		
Romania		4,000		
Italy		3,000		
Total for Others	55000	110000	0	0
Others not listed				
Grand Total	58000	110000	0	0

PSD Table						
Country:	Egypt				<-Conversion factor for CWE	
Commodity:	Cattle					
		1999		2000		2001
	Old	New	Old	New	Old	New
Calendar Year Begin		01/1999		01/2000		01/2001
Slaughter (Reference)	2130	1745	2035	1815	0	1835
Beginning Stocks	0	0	0	0	0	0
Production	460	400	458	417	0	422
Intra EC Imports	0	0	0	0	0	0
Other Imports	70	113	75	115	0	120
TOTAL Imports	70	113	75	115	0	120
TOTAL SUPPLY	530	513	533	532	0	542
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Human Dom. Consumption	530	513	533	532	0	542
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	530	513	533	532	0	542
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	530	513	533	532	0	542
Calendar Yr. Imp. from U.S.	0		0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Import Trade Matrix		Meat		
Country:			Units:	MTCWE
Commodity:			Partial Begin:	Jan
			Partial End:	
Exports for	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.	5,202			
Others				
Ireland	63,366	78,766		
Australia		1,388		
Netherlands	15,951	19,987		
Germany	1,283	4,940		
France	4,819	1,434		
India	2,823	4,938		
Brazil	2,876			
Total for Others	91118	111453	0	0
Others not listed	1290	1,547		
Grand Total	97610	113000	0	0